

STATE PROCUREMENT OFFICE

SUMMARY OF ACT 216 / 2004

HB 2136, CD1

Relating to Procurement

September 2004

The legislature approved passage of HB 2136, CD1 this past session, with an effective date of **January 1, 2005**.

PART I

Amends subsection 103D-304(g) on procurement of professional services, to add clarifying language that "The recommendations of the selection committee shall not be overturned without due cause."

Amends section 103D-702 on authority to debar or suspend, to add clarifying language on the process and its applicability. The amendment adds 10 factors for chief procurement officer consideration, to determine cause for debarment, such as "whether the contractor cooperated fully with government agencies during the investigation and any court or administrative action" or "whether the contractor has taken appropriate disciplinary action against the individuals responsible for the activity constituting the cause for debarment".

PART II

Amends subsection 103D-310(c) on responsibility of offeror, to clearly state applicability to the source selections methods for:

- competitive sealed bids;
- competitive sealed proposals;
- professional services;
- small purchase; and
- sole source.

Adds the requirement that the purchasing agency, for all contracts awarded, shall verify contractor compliance with chapters:

- 237 (tax clearance);
- 383 (unemployment insurance);
- 386 (workers' compensation);
- 392 (temporary disability insurance); and
- 393 (prepaid health care).

PART III

The following sections are amended to repeal statutory exemptions from chapter 103D; and make other necessary amendments:

ACCOUNTING AND GENERAL SERVICES

§103-53	Contracts with the State or counties; tax clearances, assignments.
§103D-203	Chief procurement officers.
§196-22	State energy projects.
§41D-2	Responsibilities of the comptroller.

Central Services Division

- §36-35 State educational facilities repair and maintenance account.
§36-36 School physical plant operations and maintenance account;
maintenance schedule.

AGRICULTURE**Agribusiness Development Corporation**

- §163D-6 Subsidiaries; establishment.
§163D-15.5 Waiahole water system revolving fund.
§163D-17 Hawaii agricultural development revolving fund; established; use
of corporation funds.

BUDGET AND FINANCE

- §39A-32 Department powers as to health care facilities.
§39A-72 Department powers as to manufacturing enterprises.
§39A-112 Department powers as to processing enterprises.
§39A-152 Department powers as to industrial enterprises.
§39A-192 Department powers as to energy projects.

Hawaii Employer-Union Health Benefits Trust Fund

- §87A-18 Long-term care benefits plan; carrier or third-party administrator.
§87A-20 Selection of benefits plan carriers or third-party administrators.
§87A-24 Other powers.

BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

- §201-85 Exemptions.

Hawaii Community Development Authority

- §206E-182 Powers.

High Technology Development Corporation

- §206M-3 Powers.
§206M-42 Powers.

Natural Energy Laboratory of Hawaii Authority

- §227D-7 Exemption of authority from taxation and competitive bidding.

COMMERCE AND CONSUMER AFFAIRS**Division of Financial Institutions**

- §412:12-108 Examinations; periodic reports; cooperative agreements;
assessment of fees.
§412:13-224 Supervision and enforcement.

Hawaii Hurricane Relief Fund

- §431:22-102 Loss mitigation grant fund.

EDUCATION

§302A-415 Motor vehicles for driving instructions; purchase and sale.

HEALTH

Hawaii Health Systems Corporation

§323F-7 Duties and powers of the corporation.

HUMAN SERVICES

Housing and Community Development Corporation of Hawaii

§201G-13 Development of property; additional powers.

§201G-114 Additional powers.

§201G-455 Program administration.

LABOR AND INDUSTRIAL RELATIONS

Workforce Development Division

§383-128 Employment and training fund established.

PUBLIC SAFETY

§329-58 Education and research.

Correctional Industries

§354D-4 Powers and duties of the director.

§354D-8 Business operations; budget.

TAXATION

§245-23 Department to furnish stamps; designs, specifications, and denominations; procurement.

§255D-4 Authority to enter agreement.

TRANSPORTATION

Airports Division

§261-52 Powers.

Harbors Division

§266-52 Powers.

UNIVERSITY OF HAWAII

§304-4 Powers of regents; official name.

College of Continuing Education and Community Service

§304-8.94 Conference center revolving fund.